

Honolulu, Hawaii

MAY 0 1 2015

RE: S.B. No. 1180

S.D. 2 H.D. 1 C.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1180, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO METROPOLITAN PLANNING ORGANIZATIONS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to ensure that metropolitan planning organizations in Hawaii are in compliance with federal laws by, among other things:

- (1) Creating a new chapter to govern metropolitan planning organizations and repealing chapter 279E, Hawaii Revised Statutes, entitled "Metropolitan Planning Organization";
- (2) Requiring metropolitan planning organizations to submit annual reports to the Legislature;

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- (3) Appropriating funds from the state highway fund into the metropolitan planning organization revolving fund; and
- (4) Appropriating funds from the metropolitan planning organization revolving fund to be expended by the Department of Transportation for the purposes of this measure.

Your Committee on Conference finds that federal laws require that metropolitan planning organizations be designated based on a minimum population threshold as defined in federal law to act as a decision-making agency and to receive certain funds for the purpose of carrying out a continuing, cooperative, and comprehensive transportation planning process.

Your Committee on Conference further finds that existing state law conflicts with current federal transportation regulations. This conflict needs to be rectified in order for the Oahu Metropolitan Planning Organization to maintain its federal Transportation Management Area certification. In urban areas containing more than 200,000 residents, the Federal Highway Administration and Federal Transit Administration jointly review and certify metropolitan planning organization operations at least every four years. In 2014, a joint certification review of the Oahu Metropolitan Planning Organization found that portions of the Hawaii Revised Statutes governing metropolitan planning organizations were in conflict with federal regulations and suggested corrective action, including amending state law.

Your Committee on Conference notes that, a failure to address conflicts between state law and federal regulations will result in the decertification of the Oahu Metropolitan Planning Organization which has the immediate effect of the withholding of up to twenty percent of the federal surface transportation funds normally attributable to Oahu, an amount calculated to be around \$12,000,000 annually, which impacts roadway and transit funding.

Your Committee on Conference has amended this measure by:

(1) Renaming the transportation management area metropolitan planning organization revolving funds to the Oahu transportation area metropolitan planning organization revolving fund;

- (2) Clarifying that the Oahu transportation management area metropolitan planning organization revolving fund shall be administered by the Department of Transportation;
- (3) Adding language to clarify that except as otherwise provided by federal law, expenditures from the Oahu transportation management area metropolitan planning organization revolving fund may be made; provided that no expenditure shall be made from and no obligation shall be incurred against the revolving fund in excess of the amount standing in the revolving fund or for any purpose for which the revolving fund may not lawfully be expended;
- (4) Clarifying that nothing shall require the proceeds of Oahu transportation management area metropolitan planning organization revolving fund to be reappropriated annually;
- (5) Clarifying that the annual reports to the Legislature are due twenty days prior to the convening of each regular session starting with the regular session of 2016;
- (6) Adding language to transfer, upon repeal of chapter 279E, Hawaii Revised Statutes, the balance of monies remaining in the Oahu metropolitan planning organization revolving fund to the Oahu transportation management area metropolitan planning organization revolving fund, and transferring any expenses and liabilities of the Oahu metropolitan planning organization revolving fund to the Oahu transportation management area metropolitan planning organization revolving fund;
- (7) Inserting an appropriation amount of \$500,000 for fiscal year 2015-2016, to be deposited into the Oahu transportation management area metropolitan planning organization revolving fund for expenditure by the Oahu metropolitan planning organization;
- (8) Deleting the appropriation out of the metropolitan planning organization revolving fund;
- (9) Changing the effective date to July 1, 2015; and
- (10) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1180, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1180, S.D. 2, H.D. 1, C.D. 1.

> Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

J.K. CULLEN, Co-Chair

BREENE HARIMOTO, Co-Chair

Hawaii State Legislature

Record of Votes of a Conference Committee



Bill / Concurrent Resolution No.: SB 1180, SD 2, HD 1					Date/Time: 6/1/15 2:55pm				
The recommendation of the House	se and S	Senate	man	agers					
☐ The Committee is reconsidering	its prev	ious d	ecisio	on.					
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	Е
NISHIHARA, Clarence K., Chr.	/			كريوال	AQUINO, Henry J.C., Co-Chr.	7			
ESPERO, Will, Co-Chr.				/	CULLEN, Ty J.K., Co-Chr.	1			
HARIMOTO, Breene, Co-Chr.	/				LOPRESTI, Matthew S.	/			
INOUYE, Lorraine R.	1				TUPOLA, Andria P.L.	1/			
SLOM, Sam				/					
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TOTAL	3			2	TOTAL	4			
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Senate Recommendation is: Adopted Not Adopted				House Recommendation is: Adopted Not Adopted					
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:					
Clarence & Arishéher				Designed Signature.					
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